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"Alternative" Charter School Authorizers

Playing a Vital Role in the Charter Movement

by Louann Bierlein Palmer

In the early 1990s a handful of states created independent public "charter" schools, providing opportunities for teachers and others to develop innovative schooling options. Unlike private schools funded through vouchers or tuition tax credits, these new public schools have to practice open admissions, accepting all students as space permits. In exchange for freedom from many government rules, they have to deliver results. Those that do remain open and those that do not are closed.

Now well into their second decade, charter schools have carved out a niche for themselves across America and the record suggests many are achieving their missions. In numerous communities, they have raised their students' performance *and* influenced traditional public schools to do more to raise their performance.[1]

Yet in spite of that record, many charter supporters fear that the reform movement may never realize its full potential. One of the biggest challenges revolves around states' systems for deciding who gets, keeps, and loses the right to run a charter school. The entities responsible for these decisions are referred to as charter school "authorizers" (or "sponsors" in some states). As the National Charter School Research Project recently observed: "In the end, if the charter school movement fails to prove itself as a viable source of higher quality public schools, bad authorizing and oversight will probably be a major reason."[2]

The United States has a deep tradition of local control over public schools. Accordingly, local school boards have been granted varying degrees of power to award, deny, renew, and revoke charters in the 41 states and territories that have adopted the reform. Some district authorizers have embraced charters as an integral component of their school improvement plans. Others have used them to handle "problem" students or to relieve overcrowding. But far too many others want nothing to do with charters. They resent the need to select, assist, and monitor these schools and see them as a drain on resources.

Policymakers initially responded by allowing those denied charters to appeal to their state boards of education, which could

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then force local boards to grant the charters against their will. Some states empowered their state boards to grant charters themselves. The first option did little to improve relations between charters and local authorities. As for the second, state boards may lack the will and the means to become strong charter authorizers in their own right.

As a result, states have begun turning to "alternative" charter authorizers outside of the traditional realm of public school governance. They include independent state-level charter boards, higher education institutions, city governments, and nonprofit groups.[3] Research, interviews, and surveys conducted for this report[4] show that *these entities are rapidly becoming the preferred authorizers and are increasingly being asked to develop model authorizing practices*.

Assessing the Quality of Charter Authorizers

Researchers have been paying an increasing amount of attention to the role of charter school authorizers. In 2003, the first national study of authorizers concluded that, except for those sponsoring only a few schools (typically local school boards), many were doing an adequate job.[5] The study also found that state policy environments—which are shaped by charter school laws and the overall level of support for charter schools, among other factors—affected the authorizers' ability to do their jobs. A subsequent study of larger authorizers in 2004 also found they were making appropriate decisions about the renewal and termination of charters.[6] Neither study, however, evaluated authorizers by type (for example, traditional authorizers versus alternative ones).

A May 2006 national study examined authorizers by type but did not consider state policy contexts.[7] That study found great variability among authorizers, with some doing their jobs well and others doing theirs halfheartedly. It also found that independent state charter boards and nonprofit organizations generally did a better job than others.

The good news from these studies is that many authorizers are taking their jobs of sponsorship seriously. The bad news is that poor authorizing practices are having a detrimental effect on the charter movement. The National Association of Charter School Authorizers offers best-practice recommendations,[8] but there is still policy debate about the best types of authorizers.

This policy brief therefore attempts to do two things. First, it offers descriptions of alternative authorizers' activities across the nation. Second, it poses three criteria for policymakers to use as they consider different authorizer types.

There is no guarantee that any given type of authorizer will perform well, since too much depends on the overall state context and the individuals involved. However, those that meet three core criteria appear to do better than others:

(1) They *desire* their jobs as authorizers (and for more than a handful of schools).
(2) They are relatively *insulated* from politics.
(3) They have the *ability to create adequate infrastructure* necessary to achieve quality outcomes, rather than just perform traditional oversight roles.

Forcing local school boards to grant charters against their will is simply bad policy. Requiring state boards to authorize charters on top of their many other duties is also undesirable. New state-level bodies dedicated exclusively to charters, nonprofit groups that want to advance their missions through charters, and the like will almost certainly do a better job. The best authorizers are those that actually desire the responsibility.

High-quality authorizing also often means making tough decisions such as granting a charter over the objections of a teachers union or terminating one over the objections of parents. State and local boards, especially those whose members are elected or appointed by elected officials, are susceptible to political pressure. Universities and nonprofit groups, however, are more insulated from such influences and can be expected to make more decisions based on facts and fewer based on politics.

Finally, high-quality authorizing depends on high-quality infrastructure. Authorizers need adequate funding and staff members who can "think outside the box" about charters. Authorizers from the realm of traditional school governance often have other pressing concerns and a regulatory notion of compliance with rules.

Nonprofits, state charter boards, and other "outsiders" are much more likely to engage in new types of thinking that can help charters flourish.

Before analyzing how each type of alternative authorizer fares on these three criteria, it is necessary to briefly review the alternative authorizer landscape across the nation.

The Alternative Authorizer Landscape

Forty states and the District of Columbia have charter schools. Of these, 14 have one or more types of alternative charter authorizers. The other 27 use a combination of local, regional, and/or state board authorizers.[9]

Seven states and the District of Columbia have laws creating separate state-level chartering boards. Seven states permit public higher education institutions to directly issue charters, of which two also allow private institutions to be an authorizer. Three state statutes specify municipal offices which may charter, and another allows any such entities to become a co-sponsor. Two states have given foundations and nonprofit organizations such authority.

To date, five state-level boards, 24 public and 12 private higher education institutions, two municipal offices, and 24 nonprofit organizations have authorized one or more charter schools. These entities are often the preferred authorizers, chartering a significant percentage of their state's charter schools. For example, Arizona's state charter board has granted 90 percent of that state's charters, while Utah's has awarded 75 percent. Likewise, Michigan's universities have approved 81 percent, and Minnesota's colleges and nonprofits have granted 66 percent of theirs. Ball State University and the mayor's office in Indianapolis have awarded virtually all of Indiana's charters, 93 percent. Even relative newcomers such as Idaho's state charter board and Ohio's nonprofit organizations are sponsoring a significant share of their states' charter schools.

Separate State-Level Charter Boards

Of the seven state-level entities created for the sole purpose of authorizing charter schools, only those in Arizona, the District of Columbia, and Florida are completely independent. The Utah panel's decisions are subject to approval by its state board of education. The Colorado, Idaho, and South Carolina state boards of education can hear appeals from and overturn the decisions of their states' charter boards.

Arizona State Board for Charter Schools

Created in 1994, the Arizona State Board for Charter Schools (ASBCS) was the nation's first separate state charter board and has been the subject of considerable attention.[10] It oversees the 422 charters it granted itself and 40 others granted by the state board of education, making it the nation's largest charter authorizer. Under an initial philosophy of providing a chance for a thousand flowers to bloom, even if some weeds crop up, the ASBCS has had many charter success stories and some well-publicized blow-ups. Significant efforts have recently been undertaken to tighten accountability issues. However, inadequate state funding to support authorizing activities is said to be an ongoing problem.

Ten of the Board's 11 voting members are gubernatorial appointees, all appointed by the current governor, serving staggered terms (the 11th member is the superintendent of public instruction or the superintendent's designee). In 2005, the governor vetoed legislation that would have allowed higher education institutions to award charters.

Colorado Charter School Institute

The Colorado Charter School Institute (CCSI) was created in 2004 and to date has approved seven schools. By law, its mission is to encourage the creation of high-quality charters for at-risk students and model superior charter authorizing policies for school districts.[11] Its composition includes nine members, with seven appointed by the governor and two by the state commissioner of education. No more than five members may be from the same political party and each must have some identified area of expertise, such as administration or finance.

The CCSI is allowed to issue charters only in districts not granted "exclusive chartering

Table 1: States with Alternative Charter School Authorizers

For each state, the number of authorizers is shown according to type. Underneath is the number and percentage of the states' charter schools sponsored by that type of authorizer.

	State	Separate State Charter Board	Higher Ed. Institutions		Mun-icipal Office	Non-Profits	State Bd or Dept of Ed.	County/ Regional Ed. Entity	Local Board	Totals No. of sponsors/ No. of schools
			Public	*Private*						
Broad Regional Authority	**AZ**	1 422 (90%)					1 40 (9%)		6 7 (1%)	8 *469
	DC	1 37 (69%)			X				1 17 (31%)	2 *54
	ID	1 11 (39%)							13 17 (61%)	14 28
	MI		11 185 (81%)					13 30 (13%)	4 12 (5%)	28 *227
	MN		3 5 (4 %)	11 23 (17%)		16 64(46 %)	1 10 (7 %)		24 37 (27%)	55 *139
	NY		1 46 (46%)				1 23 (23%)		2 31 (31%)	4 *100
	OH		#			8 145(48%)		6 85 (28%)	55 69 (23%)	69 *299
	UT	1 27 (75%)							10 9 (25%)	11 36
Restricted or New Authority	**CO**	°1 7 (5%)							49 130 (95%)	50 *137
	IN		°1 21 (49%)		1 19 (44%)				2 3 (7%)	4 *43
	FL	+	+°1 2 (1%)		+			+	41 332 (99%)	42 334
	MO		°5 20 (91%)	°1 1 (5%)					1 1 (5%)	7 *22
	SC	1 ^ (0)							14 32 (100%)	15 *32
	WI		°2 10 (5%)		°1 5 (3%)				78 168 (92%)	81 183
	Totals	6 504	24 289	12 24	2 24	24 209	3 73	19 115	300 865	390 2,103

* Totals for each state include those schools actually open during 2005-06, except for those state totals noted with an * (indicating all schools open and/or fully approved to open as of fall 2006 or later).

X Law allows the city council in the District of Columbia to designate an authorizing body (which would make it the third for D.C.), but the Council has never done so.

Ohio allows universities to sponsor schools, but to date only the University of Toledo has become involved by designating the nonprofit Ohio Council of Community Schools to play this role. Since the nonprofit board approves the chartered schools (rather than the university board), this entity is listed within the nonprofit category for that state.

° Sponsors with restricted chartering authority: In Colorado, the independent state charter school cannot approve schools in districts with "exclusive chartering authority" (unless the district says okay); in Florida, prior to July 2006, universities could only charter lab schools, and community colleges could only charter technical career centers; in Indiana, universities can only approve schools outside Marion County; in Missouri, charter schools can only be created within St. Louis or Kansas City; and in Wisconsin, select universities were only to create one school in Parkside and all others were to be in Milwaukee.

\+ Florida's recent law (effective July 1, 2006) established a separate state-level chartering board, the Florida Schools of Excellence Commission, which can charter schools statewide, and it authorized municipalities, public higher education entities, and regional educational consortia to act as cosponsors.

^ South Carolina recently enacted a law creating a separate state charter board (effective May 3, 2006).

authority" by the state, either automatically or upon application on the basis of their size, student populations, fairness toward charter schools and applicants, and other factors. As a result, CCSI was only permitted to award charters in 13 of the state's 178 school districts in 2005-06 and in just 10 in 2006-07. Other districts have the option of forwarding charter applications to CCSI. Overall, school districts have exerted considerable political pressure to earn and keep their exclusive authority. Three have filed suits seeking to abolish CCSI, saying its creation violated the state constitution.[12]

The CCSI approved two of the 12 applications it received for charters in 2005-06 and five of the eight it considered for 2006-07. Funding does not appear to be an issue for the institute. It received most of its start-up funds from national and local foundations, and the fees it collects from its charters, equal to 3 percent of the schools' revenues, appear to be adequate, now that is has reached a critical mass of around 3,000 students.

District of Columbia Public Charter School Board

The District has one of the nation's most robust charter school systems, enrolling a significant percentage of its students in charters.[13] The District of Columbia Public Charter School Board (DCPCSB) was created in 1996 and has chartered 37 schools, or 69 percent of the city's total. It has authorized far more schools than the District's school board (currently at 17 schools), the city's other authorizer, and appears more able to focus on high-quality authorizing. Indeed, the school board has stopped granting charters pending public hearings on its future role as an authorizer.

Members of DCPCSB are appointed by the mayor from a list provided by the U.S. Secretary of Education. The board's funding comes from the city's budget and appears to be adequate.

Florida Schools of Excellence Commission

The Florida Schools of Excellence Commission (FSEC) was launched in July 2006, and has the authority to approve charter schools as well as to approve municipalities, state universities, community colleges, and regional educational consortia to act as cosponsors of charter schools. It is an independent agency under the state board of education's supervision and must report to the board annually on its schools' performance. It will be allowed to impose 5 percent fees on its schools' revenues.

As in Colorado, FSEC cannot award charters in school districts granted "exclusive chartering authority" by the state board of education. Such districts must demonstrate that they treated their own charters fairly and equitably during the previous four years. For example, they could not have placed moratoria on new charters or capped overall charter enrollment and must have been fair with respect to capital funds and access to land and facilities.

Idaho Public Charter School Commission

The Idaho Public Charter School Commission (IPCSC) was created in 2004 and has authorized 11 of Idaho's 28 charter schools. Charter school applicants (except for virtual schools) must submit their materials to their local board before coming to the IPCSC. A further appeal to the state board was left in place from previous application processes.

The commission's seven members are appointed by the governor and must include three past or current local school board members, three past or current charter school board members, and one at-large member. With the election of a new governor in November 2006, there are concerns about the implications of the result for the panel.

There are also concerns about the commission's funding. Its initial legislative appropriations were minimal and it just recently obtained enough funding to support a full-time administrator. It is not allowed to collect fees from its schools.

South Carolina Public Charter School District

Rather than simply create a state-level charter commission, South Carolina instead

created a statewide South Carolina Public Charter School District (SCPCSD), which is managed by an 11-member board of trustees. The law for both was effective in May 2006. This board of trustees will be similar to boards of trustees for other districts, except it will not have a local tax base.

Nine of the board's members are appointed by the governor and one each by the state House speaker and state Senate president. Seven of the governor's choices must come from a list prepared by various state-level education and civic groups.

Utah State Charter School Board

Created in 2004, the Utah State Charter School Board (USCSB) has approved 27 of Utah's 36 charter schools. Unlike other state charter boards, all of its awards must be affirmed by the state board of education. Starting in the fall of 2007, the USCSB will be allowed to authorize no more than five schools annually. Recent law also calls for a six-month study of charter school funding and needs, given concerns expressed about USCSB's funding and lack of independence.

The charter board's seven members are appointed by the governor. They must include three members nominated by Utah's charter schools, two nominated by the state board of education, and two with expertise in business or finance.

Separate State Chartering Boards: Chances of Quality

On the whole, separate state chartering boards score well in terms of their desire to be an authorizer, but they are not particularly insulated from politics, nor are their infrastructures as strong as they could be. Using the three criteria this paper identifies as increasing authorizers' chances for success, separate state charter boards tend to have:

(1)Strong desire to serve as authorizers. Separate state chartering boards are more likely than other authorizers to have the interest, knowledge, and "will" to take chartering seriously. Unlike all other authorizer types, these boards can focus exclusively on high-quality authorizing practices and decisions. They can also be filled with members with expertise in accountability models, finance, facilities, and the like.

(2)Moderate political insulation. These boards' members are generally appointed by elected officials—often a governor—meaning that they are subject to political influence. Staggering appointments and requiring that members be nominated by others or possess certain expertise can help.

(3)Fairly strong ability to develop infrastructure. Adequate, dependable funding is a problem for some of these boards and often they must rely on state department of education employees for various functions (which tend to utilize traditional compliance systems). However, if funding is available, strong infrastructures can be created.

Higher Education Institutions as Authorizers

Eight states (Florida, Indiana, Michigan, Minnesota, Missouri, New York, Ohio, and Wisconsin) permit higher education institutions to directly authorize charter schools.[14] Currently, 24 public and 12 private higher education institutions in seven states are authorizers (see Table 3).

Minnesota's Higher Education Sponsors

Currently, 14 Minnesota higher education entities are sponsoring 28 charter schools (either operating during Fall 2006 or approved to open in the fall of 2007). They subscribe to the state's philosophy that more authorizers sponsoring smaller numbers of schools will lead to more creative schools.

Table 2: Separate State Chartering Boards

Entity (Year created)	Membership	Authority
Arizona State Board for Charter Schools (1994)	14 members (11 voting and 3 non-voting). Of the 11 voting members, 10 are appointed by the governor, as follows: 6 must come from the general public, and one of those 6 must live on an Indian reservation; 2 must come from the business community; 1 must be a charter school operator; and 1 must be a charter school teacher. The other voting member is the state superintendent or designee. The 3 non-voting members are legislators.	Independent, with no caps.
Colorado Charter School Institute (2004)	9 members, with 7 appointed by the governor and 2 by the state commissioner of education. No more than five can come from the same political party, and each must have some identified expertise (e.g., on a charter school board; in public school administration or finance; or shaping curricula).	Semi-independent; applicants may appeal to state board. No caps, but can only approve schools in districts not retaining "exclusive chartering authority."
D.C. Public Charter School Board (1996)	7 members, all appointed by the mayor from nominees offered by the U.S. Secretary of Education. The law specifies areas of experience board members should have (e.g., student learning or quality teaching).	Independent, with a cap of 10 new schools per year.
Florida Schools of Excellence Commission (2006)	7 members appointed by the FL State Board of Education, as selected from names recommended by the governor (3 appointees), president of the senate (2 appointees), and the speaker of the House (2 appointees). No less than 2 nominees must be offered to the state board for any appointment.	Independent; may only approve schools in districts not granted "exclusive chartering authority," as well as municipalities, state universities, community colleges, and regional educational consortia as co-sponsors. No caps.
Idaho Public Charter School Commission (2004)	7 members, all appointed by the governor: 3 members who are past or present local school board members; 3 members who are past or present charter school board members; and 1 at-large member.	Semi-independent; applicants may appeal to state board. Yearly cap of 6 new schools and no more than 1 per district.
South Carolina Public Charter School District Board of Trustees (2006)	11 members, appointed as follows: 2 by the governor; 1 by the speaker of the House; 1 by the senate president; and 7 by the governor upon recommendation of SC Assoc. of Public Charter Schools (2), SC Assoc. of School Admin. (1), SC Chamber of Commerce (1), SC Education Oversight Committee (1), SC School Boards Assoc. (1), and SC Alliance of Black Educators.	Semi-independent; local boards can appeal decision to state board of education. No caps.
Utah State Charter School Board (2004)	7 members, all appointed by the governor: 2 members with finance or business expertise; 3 members selected from list offered by Utah's charter schools; and 2 members selected from list offered by Utah State Board of Education.	Not independent; state board of education must also approve schools. New cap as of fall '07: 5 schools per year (and less than 5,000 students).

Larger state universities are noticeably absent from the list. To date, only two four-year state universities (Metro State and St. Cloud State) have granted charters and both later decided to hand off their chartering responsibilities to other sponsors. Only four two-year public institutions have granted charters, one of which subsequently decided end its sponsoring role. Some observers attribute the lack of interest to pressure from Education Minnesota, the state's combined NEA/AFT affiliate which represents both K-12 teachers and some of the state's public post-secondary faculty.

A number of Minnesota's private higher education institutions have jumped into the breach. Many sponsor only one school, although Hamline University sponsors six, Concordia University four, and Augsburg College three. Many become involved for mission-related reasons. For example, Hamline University began sponsoring charters to help prepare its prospective teachers, and Concordia University is focused on supporting second-language learners as part of its community outreach program. Capella University, an online institution, plans to sponsor online charter schools.

Survey data collected for this study indicate that 80 percent of the state's charter-sponsoring colleges and universities do so because working to improve educational outcomes for children supports their mission. Sixty percent say sponsoring charter schools allows them to share their educational expertise.

Michigan's Higher Education Sponsors

Michigan's colleges and universities are key players in the state's charter movement. Eleven of them sponsor 185 schools, or 81 percent of the state's total, and three alone account for more than half. Observers say the numbers would be higher but for a state cap on university-sponsored schools. There is no cap on community-college-sponsored schools, and Bay Mills Community College has been a noteworthy source of some recent charter school growth.

Michigan's higher education institutions have also played a key role in developing and promoting high-quality authorizer practices statewide and nationally. They were the first group in the nation to form an authorizer network, which in turn was instrumental in establishing a voluntary state review process for authorizers.

Public institutions were slow to embrace charters due to pressure from faculty and teachers' unions and local school boards. But pressure from then-Gov. John Engler, who appointed many of those institutions' trustees, proved to be greater. Indeed, survey results for this study found 83 percent of respondents indicating that outside political pressure was a key factor in their decision to become an authorizer. Most have tried to insulate their charter school operations from politics by housing them within their presidents' offices or other nonacademic departments.

Despite initial reluctance to participate, survey responses from Michigan's higher education authorizers reveal some interesting outcomes as a result of their authorizer roles. Eighty-four percent report that faculty resistance to charters decreased after the institutions began authorizing schools. Fifty-seven percent say working with charters has caused their faculties to become more involved in school improvement and data analysis. Seventy-one percent have placed student teachers in charters. One institution has created a focus on charter school management within its educational leadership master's degree program and plans to offer that degree nationally over the Internet.

Other than start-up costs, funding has not been an issue for the state's higher education authorizers, which can collect fees equaling up to 3 percent of their schools' per-pupil revenues.

Missouri's Higher Education Authorizers

Missouri allows charter schools in St. Louis and Kansas City only. Public and private higher education institutions and the cities' school boards are the only permitted authorizers. Colleges have sponsored all but one of the state's 22 charters.

Missouri is an example of the way political dynamics within a given state vary depending on location. Two Kansas City area public universities quickly embraced charters as part of their community outreach efforts and now sponsor

16 schools. Resistance to charters has been greater in St. Louis. Four institutions there have granted just five charters and one recently transferred its sponsorship of a school to a private university.

Surveys reveal that some institutions began working with charter schools as a way to support their mission, while others say they were pressured to become authorizers. Some say faculty resistance to charters has lessened over time, while others say opposition is unchanged. Some place their student teachers in charters, others do not.

Until recently, Missouri's universities did not receive state aid for charter activities and could not collect fees from their schools. Those that now adopt state-developed authorization standards receive state funding equal to 1.5 percent of the schools' state and local per-pupil revenues.

New York's Higher Education Authorizer

The 64-campus State University of New York (SUNY) system is the Empire State's sole higher education authorizer. It has approved 50 charters, the maximum allowed under state law and one-half of all new start-up schools permitted statewide. Four of those 50 charter schools have subsequently closed, and current interpretation of the law is that such charters cannot be reissued. Thus, SUNY is currently overseeing 46 schools.

New York's governor appoints SUNY's board of trustees and former Gov. George Pataki "encouraged" its initial involvement with charters. The board has demonstrated a strong commitment to high-quality charter school authorizing. Indeed, a recent report notes that New York's authorizers (which also include the state school board and local boards of education) are thorough, have high standards, and work hard to respond to charter schools' needs.[15]

SUNY receives state aid for its charter activities. The state charter movement's biggest current challenge is lifting the 100-school statewide cap.

Indiana Higher Education Authorizers

All Indiana public universities can sponsor charter schools located outside of Indianapolis and Marion County, but only Ball State University has chosen to do so. It sponsored 14 schools in 2005-06 and added four more in the fall of 2006. The new total will represent 45 percent of Indiana's charters.

Similar to many other higher education authorizers, survey data revealed Ball State was motivated in part by political pressure but also by the belief that chartering would advance its mission and create research opportunities. Unlike many higher education authorizers, Ball State's charter school office is housed in its college of education.

Other State Higher Education Authorizers

Wisconsin allows the University of Wisconsin-Milwaukee (UWM) and Milwaukee Area Technical College (MATC) to sponsor schools in Milwaukee. UWM sponsors nine, while MATC has sponsored none to date. In addition, the University of Wisconsin-Parkside has been allowed to sponsor a single school in Racine.

A recent Florida law allows their new state-level chartering board to co-sponsor schools with state universities and community colleges. Before that, public universities could only sponsor laboratory schools, and community colleges only technical career centers. Florida State University had chartered two such facilities and the state's community colleges none.

Ohio allows its public universities to issue charters, but none does so directly. Instead, the University of Toledo has created a nonprofit organization, the Ohio Council of Community Schools, which is currently sponsoring 45 schools.

Higher Education Authorizers: Chances of Quality Authorizing?

Using the three policy criteria that increase the potential for quality authorizing, higher education institutions as a whole fair moderately well. Some higher education institutions were

Table 3: Higher Education Institutions Sponsoring Charter Schools

(private institutions are italicized)

Minnesota*	**#**	**Michigan***	**#**	**Missouri***	**#**	**New York***	**#**
1) St. Scholastica College	12	1) Central MI Univ.	57	1) Central MO State Univ.	9	State Univ. of New York (SUNY)	46
2) *Hamline Univ.*	6	2) Bay Mills Comm. College	34	2) Univ. of MO (Kansas City)	7		
3) *Concordia University*	4	3) Grand Valley State Univ.	30	3) Univ. of MO (Rolla)	2	**Indiana***	**#**
4) Century College	3	4) Saginaw Valley State Univ.	18	4) Univ. of MO (St. Louis)	1	1) Ball State Univ.	18
5) Augsburg College	3	5) Ferris State Univ.	16	5) Southeast MO State Univ.	1		
6) *Bethel Univ.*	2	6) Eastern MI Univ.	8	6) *MO Baptist Univ.*	1	**Wisconsin^**	**#**
7) *Univ. of St. Thomas*	2	7) Oakland Univ.	8			1) Univ. of Milwaukee (Milwaukee)	9
8) *Crossroads College*	1	8) Lake Superior State Univ.	7				
9) *Aldler Graduate School*	1	9) Northern MI Univ.	5				
10) Alexandria Tech. College	1	10) Kellogg Comm. College	1				
11) *Capella Univ.*	1	11) Washtenaw Comm. College	1				
12) *College of St. Catherine*	1						
13) *North Central Univ.*	1						
14) Rochester Comm./Tech College	1						
Total	**34**		**184**		**22**		**80**

* For Michigan, Minnesota, Missouri, New York, and Indiana, the number of schools include those open as of fall 2006 and/or approved for fall 2007 or later.

^ For Wisconsin and Florida, the number of schools are those actually operating during 2005-06.

** In Ohio, public universities are allowed to charter but none have chosen to do so except for the University of Toledo, which is doing so via the nonprofit Ohio Council of Community Schools (currently with 45 schools). Since this nonprofit board (rather than the university board) actually approves the schools, this entity is listed on the nonprofit chart.

not eager to become charter authorizers but eventually grew into the job. Many report being pressured from above to embrace charters and pressured from below to keep them at arm's length. Those that have accepted the duty and received adequate financial support, however, have done an admirable job. In general, higher education institutions have the following qualities as authorizers:

(1) *Moderate desire to become authorizers.* Some private higher education institutions are interested in charters as a way to advance their missions. And although most public higher education institutions had to be "pushed" to get involved with chartering, once involved they are usually committed to quality authorizing.

(2) *Fairly strong political insulation*. Virtually all public colleges and universities involved in chartering experience intense pressure from both sides in the charter debate. Governors who support charters pressure them to get on board; faculty members and their associates in public schools pressure them to stay off. However, once higher education boards accept the responsibility, they appear to take it to heart. As one university survey respondent put it: the institution's board members "are enormous supporters of this policy initiative and have withstood enormous political pressure to make sure that they wielded their power with care and thoughtfulness and as stewards of the students in the schools they authorized."

(3) *Fairly strong ability to develop infrastructure*. Many higher education institutions have developed strong chartering offices. Some are financed through fees paid by the schools they charter, others receive state appropriations or tap other university resources. Some are housed in administrative rather than academic departments to shield them from internal and external politics and are staffed by experienced K-12 educators (who support charters even if school district personnel and unions leaders do not).

Nonprofit Organizations

Nonprofit groups are the newest charter school authorizers. Currently, only Minnesota and Ohio allow them to sponsor schools.

Minnesota Nonprofit Authorizers

Minnesota allows nonprofit 501(C)(3) organizations with at least $2 million in assets to sponsor charter schools. Sixteen such groups currently sponsor 64 schools (operating in the fall of 2006, or approved to open in the fall of 2007 or later).

According to several recent reports, nonprofits are playing a key role in Minnesota's charter movement.[16] Many see chartering as an extension of their work with children and families, especially in the Twin Cities. Several nonprofit-sponsored charters provide services beyond schooling such as after-school care, mentoring, tutoring, and parenting education. All Minnesota nonprofit authorizers that responded to a survey conducted for this report said improving educational outcomes through charters clearly supports their missions.

Policy experts in the state are urging changes in the law to support the creation of "single-purpose" nonprofit sponsors. The state's minimum-asset requirement bars many nonprofits from sponsoring charters. Few can afford to sponsor more than a handful of schools and chartering is not their primary focus. Demonstrating this idea's value, one current nonprofit, Friends of Ascension (FOA), already exclusively focuses on chartering and is the state's largest authorizer with 16 schools. A wealthy benefactor gave FOA the $2 million it needed to qualify as an authorizer.

Ohio Nonprofit Authorizers

Ohio currently has eight nonprofit authorizers that oversee 145 charter schools.

Following a 2005 law change that removed chartering authority from the state board of education and allowed nonprofits and others to become authorizers, foundations financed the creation of the Ohio Charter School Sponsor Institute to recruit and train new sponsors. Large nonprofits such as the Volunteers of America were expected to participate (as they have in Minnesota), but many did not, citing concerns about legal liability and politics. The effort revolves instead around smaller nonprofits and the Thomas B. Fordham Foundation, which had previously limited its involvement with charters to policy development.

As previously noted, Ohio also allows higher education institutions to issue charters, but only the University of Toledo has chosen to do so. Rather than sponsor schools itself, the university created a nonprofit called the Ohio Council of Community Schools, whose sole purpose is to grant and oversee charters on the university's behalf.

All Ohio nonprofit authorizers that responded to a survey for this report said working to improve educational outcomes for children clearly supports their mission and was a key reason for becoming an authorizer. All also said their boards were firmly committed to sponsoring charters and that they offer an important outsider's view of how best to support children and families.

Nonprofit Organizations: Chances of Quality Authorizing?

Using the three policy criteria that increase the potential of authorizers to succeed, nonprofit authorizers fair well. On average, some nonprofit groups have a fairly strong interest in sponsoring charters, are relatively well insulated from politics, and—with adequate funding—have a good chance of becoming high-quality authorizers. Specifically, nonprofits that have chosen to become authorizers have:

(1) *Moderate desire to be authorizers*. Some nonprofit health and human service organizations view chartering as a natural extension of their mission to improve opportunities for children and families. While the Ohio and Minnesota experiences have shown that not all nonprofits are interested in chartering, plenty rise to the challenge.

(2) *Strong political insulation*. Members of nonprofit boards are less likely than elected or appointed public officials to base decisions about charters on politics and more likely to base them on data. Many of these organizations are highly visible, enjoy strong credibility, and have lower-income constituencies that tend to support charter schools. One survey respondent noted that nonprofit authorizers are "open-minded and not clouded by political pressures." Another said: "The lack of political influence is a big thing. Many of our schools … find it particularly difficult to find an authorizer … we are able to come in from the outside and authorize the school with a good degree of credibility."

(3) *Fairly strong ability to develop infrastructure*. Successful nonprofits often have savvy grant writers and experience with the challenges of starting and managing an organization. They have strong ties to the community and staff members who are accustomed to working with children and families in nontraditional ways. With appropriate funding, these entities can assemble the types of staffs needed to focus on high-quality authorizing.

Municipal Offices

Three states allow a designated municipal office to charter schools, while one allows its new state-level chartering board to approve any interested municipalities as cosponsors.

The mayor's office in Indianapolis can grant charters within the city's boundaries and has approved 19 schools to date. There were 12 during 2005-06, four more were added for 2006-07, and three have already been approved to open in 2007-08. Mayor Bart Peterson's support for charters has been the subject of considerable attention, with that office just having won Harvard University's Innovation in American Government Award.[17]

Milwaukee's city council can also award charters locally. It now sponsors five schools as

Table 4: Nonprofit Organizations Sponsoring Charter Schools

Minnesota	No. of Schools*	Ohio	No. of Schools*
1) Friends of Ascension	16	1)Ohio Council of Community Schools**	45
2) Volunteers of America	13	2) St. Aloysius	26
3) Pillsbury United Communities	12	3) Educational Resource Consultants of Ohio	22
4) Audubon Center of the Northwoods	8	4) Buckeye Community Hope Foundation	18
5) Northwood Foundation	4	5) Ashe Culture Center, Inc.	11
6) Islamic Relief International	1	6) Thomas B. Fordham Foundation	9
7) James Ford Bell Foundation	1	7) Kids Count of Dayton, Inc.	9
8) Lao Family Community	1	8) Richland Academy	5
9) EdVisions, Inc.	1		
10) Germanic American Institute	1		
11) Metro Minneapolis YMCA	1		
12) Ordway Center for the Performing Arts	1		
13) Project for Pride in Living	1		
14) Fraser Foundation	1		
15) Upper Midwest American Indian Center	1		
16) Wolf Ridge Environmental Learning Center	1		
Total	**64**		**145**

* For Minnesota, the number of schools are those open Fall 2006 as well as those fully approved to open Fall '07 or later (as obtained by the MN Sponsor Assistance Network). For Ohio, the number of schools are the number actually open as of August 15, 2006 (as obtained from the Ohio Office of Community Schools).

** The Ohio Council of Community Schools is a nonprofit overseeing schools as a designee of the University of Toledo. Since it is the nonprofit board that actually approves the chartered schools (rather than the university board), this entity is listed within the nonprofit category.

part of the city's broader school choice program. The District of Columbia City Council can designate a charter authorizer, but has chosen not to given the work already being done by city's independent charter board.

Florida's new state-level charter board can sponsor schools in partnership with municipalities. This law was recently enacted, so it is too early to know how many municipalities might be interested.

Municipal Offices: Chances of Quality Authorizing?

Few municipal offices have expressed a strong desire to become involved in chartering, and they are inherently subject to political pressure. But they possess many of the tools needed to become high-quality authorizers. Using the three policy criteria that increase the

potential of quality authorizers, municipal offices potentially have:

(1) *Moderate desire to be authorizers*. There are certainly exceptions, but given all of their other responsibilities, mayors and city councils are unlikely to have much interest in authorizing and overseeing schools. Nonetheless, those focused on educational reform issues can bring significant assets to the table.

(2) *Limited political insulation*. It takes a very strong mayor or city council to base charter school decisions on data rather than politics. As elected officials, they are accountable to their constituents for results, but they are also subject to strong political pressure from interest groups.

(3) *Moderate ability to develop infrastructure*. Mayors and city councils can leverage numerous resources to support their agendas. Although their offices may lack hands-on expertise with schools, they are experts at delivering and monitoring other important social services and can find talented individuals to help them create high-quality charter authorizing systems.

Pulling It All Together

States originally viewed alternative charter authorizers mainly as friendlier forums for charter school applicants. Today, they and many researchers increasingly see them as a way to add value to the charter school movement and, by extension, to public education as a whole.

As examples, Minnesota's nonprofits and private universities have sponsored a number of innovative, community-focused schools. Michigan's university authorizers are considered national leaders in the push for high-quality authorizing practices. The District of Columbia's independent charter board has outperformed the city school board as an authorizer. The Indianapolis mayor's charter office is considered one of the finest in the country. SUNY jump-started New York State's charter movement by approving its first schools. Utah and Idaho's state-level chartering boards are approving schools and focusing on the quality of school oversight.

Policymakers believe these alternative entities can serve as model authorizers. For example, Colorado's state charter board was tasked specifically with encouraging the creation of high-quality charters for at-risk students and modeling superior charter authorizing policies for school districts. In a similar vein, Florida's new state charter board is required to develop, promote, and disseminate best practices for charter school sponsors.

This is not to say that alternative authorizers have no disadvantages, or that other types of authorizers cannot be effective. Indeed, many local school boards, state boards, and county/regional boards are considered high-quality authorizers. For example, the Chicago Public Schools actively solicit and oversee charter schools as part of their Renaissance 2010 efforts.[18] The Massachusetts, North Carolina, and Texas state boards of education are also considered strong charter sponsors. As previously stated, the best authorizers, regardless of their type, want the job, sufficiently insulate themselves from politics to do the job well, and have the money and other tools they need to focus on quality.

Table 5 examines how the seven types of charter authorizers score on those three attributes.[19] While this report does not provide detailed information about state board, county/regional board, and local board authorizers, its author has been involved with charter school policy research for the past decade and developed summary judgments from that accumulated knowledge.

Overall, all four types of alternative authorizers have the potential to become high-quality school sponsors. Compared with traditional authorizers, they often have a stronger desire to get involved in chartering and can base their decisions on data rather than politics. When provided with adequate funding, they can secure staff members and create systems focused on outcomes rather than on compliance with rules.

Policymakers, however, are cautioned to consider new types of authorizers only if their current situations are not producing desirable results. High-quality authorizing is hard work and

Table 5: Summary Analysis of Potential for Quality Authorizing

	"Desire" to be an Authorizer (for more than 1-2 schools)	**Political Insulation** (to make data-driven decisions)	**Ability to Create Adequate Infrastructure** (focused primarily on outcomes, not compliance)
Separate State Charter Boards	Strong	Moderate	Fairly Strong
Universities (including private)	Moderate	Fairly Strong	Fairly Strong
Nonprofits	Moderate	Strong	Fairly Strong
Municipalities	Moderate	Limited	Moderate
State Board of Education	Limited	Limited	Moderate
County/Regional Board	Very Limited	Very Limited	Limited
Local District Board	Very Limited	Very Limited	Limited

adding more sponsors to the mix increases the strain on already tight budgets.

Policymakers also should demand more accountability from all authorizers. Several states are already moving in this direction. For example, Ohio's state board of education has become an "authorizer of authorizers" in that it must now approve and monitor all new authorizers working with new start-up schools. Missouri authorizers receive state funding only if they meet certain quality standards. Michigan has implemented a voluntary authorizer review process. Minnesota is creating a process whereby sponsors can voluntarily earn a "certificate of quality sponsoring" and perhaps receive greater flexibility and added resources in return. Many unresolved issues remain within each of these states, but initial authorizer accountability systems are being implemented.

In the future, all alternative and traditional authorizers should be judged on the basis of how students in their sponsored schools perform. Indeed, results from 2003 and 2005 National Assessment of Educational Progress (NAEP) revealed performance differences among various authorizer types (although these findings were drawn from a small sample and did not track the same students over time).[20] Unfortunately, until all states have full-scale value-added accountability systems that track gains made by the same students over time, it will be difficult to link charter school performance results with the role their authorizers are playing.

Policymakers also should pay more attention to authorizer funding and support. Authorizer fees can give charter sponsors a perverse incentive to keep schools open for fear of losing those fees. Many policymakers do not understand the value of high-quality authorizing and therefore are reluctant to provide adequate state funding. Ultimately, some combination of state and school resources, coupled with an appropriate accountability system for all authorizers, is essential.

There clearly is no one best authorizing system for any given state. Much depends upon the policy environment, constitutional issues, and individual leaders. Alternative authorizers, however, are playing a vital role in the charter school movement and are often found in states attempting to raise authorizer accountability. They will continue to be key players in the creation of charter schools and in the quest for both high-quality charter schools and high-quality authorizers.

Endnotes

[1] See for example: Massachusetts Department of Education (2006, August 30). *Study finds most charter schools meet or exceed performance of sending districts.*

[2] Lake, R. (2006). *Holding charter authorizers accountable: Why it is important and how it might be done.* Seattle, WA: Center on Reinventing Public Education, University of Washington. Quote is from page 1.

[3] Some categorize all authorizers other than local district boards into the alternative category, but for the purposes of this brief, only those traditionally not involved with K-12 schools are deemed alternative authorizers.

[4] To obtain data for this study, e-mail contacts along with follow-up telephone interviews occurred with one or more primary state-level contacts within each state currently allowing alternative authorizers. In addition, an electronic survey was sent to a primary contact within each of the nonprofit and university authorizers to obtain insights regarding their authorizing activities.

[5] Bierlein Palmer, L., & Gau, R. (2003). *Charter school authorizing: Are states making the grade?* Washington, DC: Thomas B. Fordham Institute.

[6] Hassel, B., & Batdorff, M. (2004). *High-stakes: Findings from a national study of life-or-death decisions by charter school authorizers.* Chapel Hill, NC: Public Impact.

[7] Gau, R. (2006). *Trends in charter school authorizing.* Washington, DC: Thomas B. Fordham Institute.

[8] National Association of Charter School Authorizers (2005, Revised Edition). *Principals & standards for quality charter school authorizing.*

[9] For summary details regarding all 41 charter laws, readers are encouraged to review: Hassel, B., Ziebarth, T., & Steiner, L (2005). *A state policymaker's guide to alternative authorizers of charter schools.* Denver, CO: Education Commission of the States, or the website of the National Alliance for Public Charter Schools.

[10] See for example: Hassel, B., & Godard Terrell, M. (2004). *The rugged frontier: A decade of public charter schools in Arizona.* Washington, DC: Progressive Policy Institute.

[11] Ziebarth, T. (2005). *Peaks & valleys: Colorado's charter school landscape.* Washington DC: Progressive Policy Institute.

[12] "Charter agency in jeopardy." *Rocky Mountain News*. July 5, 2006.

[13] Mead, S. (2005). *Capital campaign: Early returns on District of Columbia charter schools.* Washington, DC: Progressive Policy Institute

[14] In addition to eight states that permit higher education institutions to directly authorizer schools, public higher education institutions can cosponsor schools with the state charter board in Florida and with the state board of education in North Carolina. Texas's law indicates such entities can be authorizers, but this is interpreted to mean a university may bring a charter proposal to their state board of education under a different section of law (but ultimately it is the state board that authorizes such schools).

[15] Lake, R. (2004). *Seeds of change in the big apple: Charter schools in New York City.* Washington, DC: Progressive Policy Institute

[16] See for example, Schroeder, J. (2004). *Ripples of innovation: Charter schooling in Minnesota, the nation's first charter school state.* Washington, DC: Progressive Policy Institute.

[17] Hassel, B. (2004). *Fast break in Indianapolis: A new approach to charter schooling.* Washington, DC: Progressive Policy Institute.

[18] Chicago Public Schools' *Renaissance 2010* is an effort to actively solicit proposals for charter, contract or performance schools, with the goal of having 100 such new schools in place by 2010. The Chicago Public Schools Board serves as the authorizer, although the Mayor ultimately has control over the Chicago Public Schools since 1995.

[19] It should be noted that these conclusions are generally in line with the recent national authorizer survey released by the Thomas B. Fordham Institute (Gau, 2006). That study concluded nonprofit organizations and separate state charter boards were the strongest authorizers, based upon their self-reported information on various practices. Results differ however in their conclusion that municipalities and higher education entities are equal to state boards of education, county and local school boards. These differences were driven primarily by the criteria used to draw conclusions.

[20] NAEP test data collected from charter schools revealed improvements between 2003 and 2005 for schools sponsored by all types of authorizers (except "other") for 4th grade reading, and for all except postsecondary institutions and "other" for 4th grade math. Caution is urged in that these data do not track individual students over time (National Alliance for Public Schools, *Charter data point #1: What NAEP is really telling use about charter performance)*.